

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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A) THE PARTY (UCY: Union of Communists of Yugoslavia)

Last summer there were changes in party and government notables. These changes took place at the same time as the innovations introduced by the new constitution, innovations which were specifically expressed in the appointment of new deputies to the various federal and republican councils, and of new members in the federal and republican governments. They affected about 10 persons who possess impressive political reputations but are of advanced ages and who were pensioned although they were still used by the Party, by the Socialist Association and by other agencies, with no fixed charges or duties. Among these were: Dragutin Saili, [redacted] Anka Berus, a member of the Federal Government, [redacted] Rodoljub Colakovic, [redacted] formerly vice-president of the Federal Government [redacted] Nikola Kovacevic, [redacted] a member of the Central Committee of the UCY, a Federal deputy [redacted]

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[redacted] Mile Pocuca, [redacted] a member of the Croatian Government, of the Central Committee of the UCY, a federal deputy; and a few others of lesser rank. The outstanding person is Colakovic, who, while he still maintained his position

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as vice-president of the FEC, did not carry on any practical and specific activity in his own field, which was public education, culture and science. None of those who were retired were part of the group which has determined and which continues to set the Party line for the regime.

There is no report of open dissension or formation of real "wings" within the Executive Committee and the Central Committee of the UCY. It is known that there were manifestations of this dissension in the past, (naturally always in the Politburo of the Central Committee if not in the more restricted circle of the Secretariat of the Federal Executive Committee) between Alexandar Rankovic and Edvard Kardelj, and that the result was the appointment of Rankovic to the Number 2 position of the regime as the fair-haired boy of Marshal Tito. The dissension, which did not involve or compromise other persons, regarded the wisdom of adopting one of two different tactics for the practical execution of the so-called Yugoslav line to build socialism. Rankovic believed in expanding the Party role and its participation or influence in all sectors of the country, better liaison and collaboration with the Soviets, greater discipline in the economic field, with limited autonomy in economic affairs and therefore the resumption of some forms of centralism and statism. These theses were upheld after the dramatic clashes and accusations between the two protagonists of Yugoslav policy, Rankovic and Kardelj in meetings of the Politburo in February, March and April of last year (1962). The adoption of the Rankovic course of action was made known in a speech by Tito in Split in May 1962, and in a "classified" letter from the Central Committee in June to the peripheral organizations of the UCY, and published openly by Komunist, the official Party organ.

The theses of Rankovic were in great part introduced in the new Federal Constitution. Kardelj had earlier made a real self-criticism, recognizing the fault of too much autonomy and liberalization; he also admitted, contrary to his publicly-stated concepts regarding the withering away of the State and the Party, that "the Socialist State cannot yet renounce the concentration and centralization of power."

No longer can there be talk of the permanence of the "spirit of cameraderie" born during the partisan struggle. In Yugoslavia today no real political alliances exist among the veterans of the "War of Liberation" who continue to carry on political activity.

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It does not appear that any "leader" of the old group or other groups is the author of changes in the "Yugoslav line" toward socialism. There are different viewpoints regarding the tactics for the better execution of this policy. Those opposed to a policy of unlimited "decentralization" are the Rankovic followers, for the reasons mentioned above. In his speech in 1962, Tito did not refer to either of the groups headed respectively by Rankovic or Kardelj as opponents of the decentralization policy, but to persons on a lower level, agency directors, engineers, etc.

Rankovic, a Serbian, has always controlled and continues to control the Party apparatus as organizational secretary for the UCY. He derives great power from this position, which is further strengthened by the support he receives from the UDB (the State Security Police), old friends and cooperators. On the more purely political level, it is believed that the vice-president can count on the support of the Party and the Government of Serbia in the hands of Jovan Veselinov and Slobodan Penesic (former chief of the UDB); he can also count on a fair percentage of the Croatian representatives who follow Ivan Krajacic, head of the UDB in Croatia prior to his appointment last summer as President of the Croatian Parliament; he can count on the Communists in Bosnia and Herzegovina headed by Djuro Pucar, secretary of the UCY in Bosnia and Herzegovina. Perhaps he can count on the Montenegrin Communists (the new Montenegrin Government has been directed since last summer by a UDB leader). On his side, Kardelj has the solid support of Slovenia, as well as that of those Croats who are followers of the secretary of the Croatian UCY, Dr. Vladimir Bakaric.

Within the Federal Politburo, the twelve members who compose it are aligned as follows:

For Rankovic:

Svetozar Vukmanovic-Tempo, present president of the Labor Union Federation

Djuro Pucar

Jovan Veselinov

and probably [ ] Djoko Pajkovic, former head of the UDB of the Kosmet.

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For Kardelj:

Miha Marinko

Dr. Vladimir Bakaric.

The leanings of Ivan Gosnjak are unknown; he is State Secretary of National Defense and reportedly outside political problems; the leanings of Veljko Vlahovic, the youngest in age and membership in the FEC and concerned with ideological problems from a theoretical standpoint are also not known, nor are those of [ ] Kristo Crvenkovski. There remains Tito, who in recent circumstances aligned himself with Rankovic.

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It should also be noted that Rankovic was designated President of the Commission of the UCY Central Committee responsible for the appointments of candidates to various positions in the government and party, both on the federal and republic levels, in connection with the reorganization following the adoption of the new constitution; it was Rankovic who selected the names of the "candidates" for the legislative election and for those on the republican level, and it was he who decided the criteria and established the standards for the constitutional principle of "rotation" of the positions on the highest party levels, of the federal and republican parliaments and those of the governments.

As regards the attitudes pro or con the rapprochement with Moscow, they can be indicated as follows: Rankovic and his followers are openly in favor; the Kardelj group is more reserved and cautious, but not opposed - they oppose, although not openly, any entente with the USSR which implies long-term commitments for Yugoslavia. Live opposition comes from the directors and persons in the economic sector, who favor continued cooperation with Western economy, which they believe is more progressive from the technical viewpoint, more correct on the commercial side, and the only one from which they can derive any personal advantage. The younger persons in the Party are potentially hostile, as they were raised and trained ideologically and politically in the atmosphere of bitter struggle and argument between Yugoslavia and USSR and the other countries of the Soviet orbit. The great majority among the intellectuals do not sympathize with the USSR.

It is believed that Rankovic proposes to proceed with further organizational and personnel changes in the Party apparatus, for the purpose of consolidating his position before the Eighth UCY Congress. It should be noted, however, that despite the firm commitments and directives of the Central Committee of the UCY to intensify activity on the primary level of the Party -- in conformity with the decisions adopted in the spring of 1962 by the Politburo as announced by Tito in Split -- that the work of the cells, following an early period of live activity which lasted about to the end of autumn 1962, has been reduced to almost nothing, i.e., to a bare existence. In recent weeks, the primary level organizations have been "reactivated": they have received directives and measures intended to raise the level of theoretical and ideological preparation of Party members, with particular emphasis on problems regarding the international political situation and the international Communist movement. Within this framework, they are to show the main reasons for the recent Yugoslav - Soviet rapprochement, "that it came about because of the firmness with which Yugoslavia maintained its own political and ideological principles, which have in the end been recognized as valid by the USSR and the other countries in the socialist camp" (naturally excluding China and Albania). Those members who might express reservations on the wisdom of drawing close to the USSR will not be punished, but explanations of a theoretic and ideological nature have been demanded. There has been no resumption of action by the primary-level organizations for specific participation in the various sectors of the economic, social, cultural and sport worlds.

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In February 1964, the plenum of the Central Committee of the UCY will meet to decide the date and agenda of the Eighth Party Congress.<sup>1/</sup> It is probable that this Congress will be convoked in May.<sup>2/</sup> The probable points of discussion will be:

a) The situation of the International Communist Movement and the Yugoslav position on the various problems of the situation.

b) The newest developments of the Yugoslav domestic situation, especially with reference to "corrections" of recent political and ideological postulates defined by the Seventh Congress of the UCY held in Ljubljana in April 1958: resumption of the guide-role by the UCY and certain forms of centralism and statism (codified this year in the Federal Constitution) which permit the Federal state to intervene in social self-management and in the so-called decentralization of power; a new interpretation: "more suitable for the class positions of Marxism-Leninism of the "phenomenon of blocs". The preceeding interpretation placed the community of "socialists" on the same level as the Atlantic Community." Certainly one of the fundamental themes of the congressional debate will concern the seven-year plan of economic development for Yugoslavia, which is being drafted under the guidance of Milos Minic, vice-president of the government, assisted by Boris Krajger and Nikola Mincev, members of the Federal Executive Council, and by the Federal Planning Institute, which has exchanged visits and experience with the corresponding organization in the USSR.

One question asked regarding the forthcoming congress is "will there be any repercussion of the "differences" between Rankovic and Kardelj in the Congress? And if so, what form will they have?"

The postponement of the Congress, which should have been held during 1963, as required by law, is the result of heavy political commitments by Yugoslavia during almost all of 1963 which involved Yugoslavia's position with respect to the international Communist movement: Khrushchev's visit to Tito, with the recognition of the "socialist character" of the Yugoslav regime and cessation of the argument; visits by Zivkov, Kadar, Gheorghiu-Dej related to the new course of Yugoslav-Soviet relations; debate on the new Yugoslav constitution which has approved the half-way meeting between Moscow and Belgrade; election and formation of new federal and republican governments; Tito's trip to Latin America.

The problem of Yugoslav "cominformists" is somewhat complex here. It is not a matter, either past or present, of organic "opposition" to the regime. There has never been a "cominformist" organization, even if one considers that a considerable number of persons were accused of "cominformism" - certainly more than the 14,000 stated by the authorities (of whom one-third were tried under the criminal code, and the others were interned in concentration camps by decision of the "Administration Commission" appointed ad hoc by the UDB). The actions always affected individual persons. The persons accused in the past of cominformism, have in the past year or so been divided into two categories: in the first are those who express themselves in favor of cominformist principles in "good faith", and in the other, the opportunists. In principle, the first

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may be readmitted to the Party. In reality, the majority of them were re-enrolled after having been "reactivated" via the socialist association of the working people. They were given charges and duties, but not on a high level. For the so-called "opportunists", readmission to the Party is impossible. They represent a minority. There is no information on changes in the position and consideration of the first group by the hierarchy, with relation to a Yugoslav-Soviet rapprochement. As of today, the only consequence appears to be that in the new situation in relations between Yugoslavia and the USSR, the problem of cominformism no longer exists.

Milovan Djilas. It should be stated beforehand that Djilas has no following in Yugoslavia. He has never thought of or attempted to surround himself with "friends" for the purpose of having an organized political force. Djilas may have the agreement of a certain number of Yugoslavs for what he has written, particularly for his condemning the private life of the "new class"; but this is an emotional agreement which a priori excluded a following that could become specific in the political fields. Djilas's attitude, especially regarding his "connections" with certain social democratic circles and even "reactionary" European and American ones, has been judged severely by the majority of Yugoslavs, even the non-Communists, for being opposed to nationalist ideals. To a large extent, the evaluation of Djilas by the informational organs of the regime have contributed to the formation of this judgment. Djilas is not popular in Yugoslavia; he has a much higher standing abroad than in his own country. For the time being, it is stated that the ex-president of the Federal Parliament will probably pardon him so that he can leave the Sremska Mitrovica Penitentiary, where he is serving a cumulative sentence of 9 years.

#### B) RELATIONS BETWEEN CHURCH AND STATE

In all fairness we must recognize that the improvement of relations between church and state in Yugoslavia after the death of Cardinal Stepinac is more than just apparent. In October 1960 the Episcopal Conference of Yugoslav Catholic Bishops presented a memorandum to the Federal Government, in which it indicated the following conditions under which the Yugoslav Catholic Church would submit a "statement of loyalty to the civil order in Yugoslavia": freedom of religious teaching, circulation of the Catholic press, promise by the government to discuss all problems regarding the Catholic Church directly with Ecclesiastic Authorities and not through the so-called Association of Patriotic Priests, and furthermore to insure a more faithful application of the laws on religious matters by the peripheral authorities. These points were accepted "in principle" by the Federal Government, but the Vatican opposed a formal entente between the Yugoslav Catholic Church and the Government, unless the latter gave "concrete proof of its sincere intention to carry out the conditions included in the memorandum." The "dialogue" begun between the State and Church in October 1960 continued, however, with the caution dictated by the circumstances, and the results appear rather satisfactory: beginning at that time, the civil authorities have slowly and progressively applied some of the "conditions" laid down by the Catholic episcopate, so that relations between Church and State have

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improved, both on the level between federal and republican authorities and the bishops, and on the level between the local authorities and the parishes. It should be pointed out that up to this time there has been no formal statement of "loyalty" to the regime by the episcopate: the relations between Church and State are still in a phase which may be called "probational". The attitude of the State toward the Church has also felt in recent years the policy executed by the late John XXIII, which also had the support of the Federal Government and Marshal Tito himself.

In April 1963 the Yugoslav President stated: "we desire to have good relations with the Vatican. I believe that since relations between the Catholic Church and our State have improved, we are also on the road to improving them with the Vatican. Our religious leaders have been in the Vatican and have made positive statements in the Holy See. We have nothing against those statements and attitudes; in fact we wish to have those relations improve. There has as yet been no talk of a resumption of diplomatic relations with the Vatican".

The Yugoslav Government is reportedly inclined to promise to carry out the majority of the points indicated in the memorandum by the episcopal conference of October 1960, except for one, which is to make teaching of religion compulsory in the schools. The government could "be more open handed" in its financial aid to the Church, but it would require the statement of loyalty to the civil order: if the Yugoslav state recognizes the "competence of the Vatican in religious matters and in those regarding the ecclesiastic hierarchy", the State itself would require the Vatican to recognize that "the relations between Catholic Church and State in Yugoslavia are a domestic problem".

The present Catholic hierarchy does not appear "prejudicially hostile" to the regime, in the sense that its most authoritative representatives do not frontally oppose the regime, as the late Cardinal Stepinac did. In particular, the Archbishop of Zagreb and chairman of the Bishops Conference in Yugoslavia, Monsignor Franjo Sefer, and the Titular Archbishop of Belgrade, Monsignor Gabriele Bukatko, believed that "it is possible to cooperate and co-exist with Tito's Government". They certainly have the support of the large majority of the bishops and the Catholic clergy in Yugoslavia, who express their "objections" to the policy of the Vatican on the question of Church and State relationships inside Yugoslavia.

Eminent religious personalities have confidentially stated that "if the Vatican had permitted the Yugoslav bishops greater initiative, the Catholic Church probably would have obtained much more than the little it has so far been given by the regime".

### C) NATIONALISM

No accurate information is available on this subject.

It seems, at least from information collected in various circles, that it is an exaggeration to speak of "growth of nationalistic sentiment". It should be kept in mind that the rise to power by the

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Communists and the policy carried on by Tito's government have liquidated most of the nationalist points, eliminating among others the causes which were at the bottom of the dissension among the various nationalities living in Yugoslavia. At present there are no real naturally clandestine organizations inside the country which pursue so-called nationalistic objectives. Of course there are in some federated republics persons and groups who are controlled by organizations of emigres, but they are few in number. Rather than nationalistic spirit, one must speak of "localism", that is, tendencies which are traceable to economic circles and authorities of local power who wish to strengthen local economic potential at the expense of the federation.

The tendencies noted in Croatia and Slovenia favoring further decentralization of power must be interpreted as a wish on the part of the Croats and Slovenes, who live in the two most prosperous regions of the federation, to have a free hand in the disposition of their own economic resources, which the central power uses in part to increase the economic potential of the less developed republics. In this respect, the average per capita monthly income last year (1962) in Slovenia was 28,000 dinars, 24,000 in Croatia, and 22,000 in Slovenia, 17,000 in Bosnia, and 14,000 in Macedonia and Montenegro. It is natural that the criticism and discussion in their field sometimes assumes a nationalistic tint, but it rarely touches the really political aspects of the problem.

With regard to nationalistic organizations which are not Communist, there definitely exist in Croatia groups of the old Ustashi movement, on which the emigres coming especially from West Germany, lean. Their numbers reportedly are not large. The same may be said for the Slovenian "Belogardists" who seem to be less active than the "Croats" and who are rallied around the "Krizarsko bratstvo", the "Trup" (Tajna revolucionarna ustasks postrojba) and the "Hrvatski demokratski odbor", the main organizations of which are also found in the German Federal Republic. Individuals from abroad do not usually find favorable ground for the execution of terrorist plans because of the objective political and economic situation, and because of the strict surveillance exercised by the security agencies, well supplied with money and with wide-spread intelligence nets.

#### D) RELATIONS WITH OTHER COMMUNIST COUNTRIES

Marshal Tito is deeply convinced that the present Soviet leadership headed by Nikita Khrushchev (and the latter personally) are animated by the sincere intention of keeping the peace. Rather than being the product of an ideological or national calling, this Soviet attitude - in the opinion of the Yugoslav representatives - is the result of the very serious situation inside the USSR, both in the economic and political fields, which has led the Kremlin to review its entire foreign policy. Very briefly, the USSR intends to fight for peace and peaceful coexistence, adopting a policy and turning into a road along which - as they say in Belgrade - it was preceeded for years by Yugoslavia, and necessarily has had to draw near Yugoslavia to follow the now common line together, in an action which reportedly will be carried out among the countries of the so-called "third world", among other reasons to oppose the action carried on by People's China.

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In the evaluation by the Yugoslavs, the Soviet internal situation is so serious that the Kremlin is inclined to make "large concessions" to the West, provided the Western governments prove with even "slight commitments" that they will meet it half way. In this sense, in the judgment of the Yugoslavs, the fate of Khrushchev is in some way bound to the attitude which the West demonstrates toward the USSR. To "give Khrushchev a hand" should be in the interest of the West since "any other person in his position would only make the situation more complicated."

#### COMMITMENTS

"To develop Yugoslav-Soviet collaboration in all sectors" - this is the sole commitment which is said to have resulted from Khrushchev's visit to Yugoslavia in September 1963. Yugoslavia did not give up any of its fundamental positions, either on the political-ideological level or as regards its independence; the Soviet Union did not make any concessions, except possibly to recognize the socialist nature of Yugoslavia. Khrushchev tried to induce Yugoslavia to join the Council for Mutual Economic Assistance (CEMA/COMECON); even this failed. Future negotiations may concern the practical definition of some understandings in principle within the general framework of an overall commitment: economic collaboration (industrial and commercial), technical aid, increased collaboration in the cultural exchange field, increased contacts between the various social and political organizations and labor unions.

Since the rapprochement between Moscow and Belgrade, the relations between Yugoslavia and all of the Soviet Bloc countries are increasing, although not in a uniform manner. Considerable progress appears to have been made in relations with Bulgaria, Hungary, Poland and Rumania, less with Czechoslovakia and East Germany.

In Czechoslovakia there is a whole process of adapting to the new course which is meeting with no slight obstruction, but which may soon have a new push with the recent Soviet "approval" of Novotny's retaining his position as President of the Republic and Secretary of the Communist Party. The Yugoslavs had repeatedly rejected Novotny's overtures for an invitation to visit Yugoslavia since they were convinced that he, along with Siroky, would be forced to resign. The Czechoslovak President will now be invited by Tito in a formal invitation to be extended by Koca Popovic /Yugoslav State Secretary of Foreign Affairs/ when he visits Prague in mid-December.<sup>3/</sup>

There is no doubt that there is now a resumption of collaboration, in a form still unknown, between the armed forces of Yugoslavia and those of the Soviet Union.<sup>4/</sup> Last spring /1963/, a group of Yugoslav General Staff officers went to the USSR for a six-months' stay. (In September 1963, State Secretary of National Defense and Chief of the Yugoslav Armed Forces) Ivan Gosnjak also made a trip to Moscow, officially labelled a "protocol visit", which was said to be connected to the mission undertaken by the General Staff officers. It is well-known that the USSR has recently supplied Yugoslavia with jet aircraft and ground-to-air missiles for defense, as well as the latest Soviet Tanks. It is also known that for about a year there has been collaboration between the two countries in the production of several types of weapons, now made in the Adriatic republic. It is also known that Yugoslavia and Bulgaria are cooperating in chemical research with military applications (there is reportedly a factory in the Nis, Serbia, region which is said to be working on this cooperative production).

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Relations between Yugoslavia and Poland are better than those between Yugoslavia and other Soviet Bloc countries. This is shown in the close collaboration in the economic sector. (Poland was the first country with which Yugoslavia signed a mutual cooperation agreement in the industrial field.) and in the cordial relations among the political leaders of the two countries. In Yugoslavia it is remembered that Poland finally joined the chorus of accusations against Yugoslavia "only when it could not do otherwise". At the UCY Congress in Ljubljana in 1958, all of the ambassadors from Communist countries who were acting as observers left the hall when Rankovic read his report, with the sole exception of the Polish Ambassador.

The travels of (State Secretary for Foreign Affairs) Koca Popovic usually have a very distinct significance: he follows the visit to a country by a Yugoslav Parliamentary delegation and precedes the visit by Tito to the same country. Thus, he went to Moscow in 1961 and to Latin America and Washington in the spring of 1962. A now well-publicized fact is that next spring (1964), the Head of the Yugoslav Government is to go to Poland on an official visit. As previously noted, Popovic is to be in Prague next week (mid-December 1963) and will bear an invitation from Tito to President Novotny to visit Yugoslavia. It is quite probable that Novotny will in turn invite Tito to visit Czechoslovakia when he visits Warsaw.

There is no particular situation between Tito and (Hungarian Premier) Kadar. It should be remembered, however, that at the time of the Rakosy regime, Kadar was accused, tortured and condemned for "Titoism". It cannot be said that he actually was a "Titoist" at that time; certainly he was a man who even then intimated a policy which was affirmed upon the death of Stalin and the introduction of the new line with regard to internal affairs, relations within the Soviet Bloc and relations between the Satellites and the Soviet Union. There is a very cordial feeling between the two heads of state. During his stay last December (1962), while he was en route to Moscow, Tito told Kadar: "Come to me any time you need to, without going through channels; I am also ready to come to you at any time." The arrival of Kadar in Karadjorjevo, near the Yugoslav-Rumanian border, was almost a private affair. Followed very shortly by Khrushchev's visit to Yugoslavia, the Tito-Kadar talks hinged - as has been stated - on the new relationships being developed among the "socialist" countries and above all, on Yugoslav-Hungarian economic collaboration and on the themes of mutual industrial production (on the basis of the existing agreement). There was also talk of resuming relations between the respective Communist movements. It is incorrect to state that Tito has lately met frequently with Kadar.

Yugoslavia has shown an "understanding" of the Rumanian attitude in the controversy with the other Soviet Bloc countries during CEMA debates - an attitude which did not and does not differ from the fundamental one of Yugoslavia, which is opposed to binding itself and to conditioning its own development to that of CEMA. In the judgment of the Yugoslav leaders, the ambiguous behavior exhibited by Rumania for some time with regard to the Sino-Soviet conflict was dictated by a contingent exigency and aimed essentially at exercising pressure (i.e., a blackmailing action) against the Soviet Union, so that it would give in to Rumanian demands. It is a fact, however, that Rumania, although faithful to the Communist community, is attempting to throw off the heaviest of the ties which bind it to

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the USSR and to become relatively independent. The example of Yugoslavia, which despite its defection from the "socialist" camp has been formally recognized as a socialist country, has taught a lesson. The visit of President Gherghe Gheorghiu Dej to Yugoslavia (in November 1963) has confirmed these tendencies on the part of Rumania.

The Rumanian president asked Tito to support Rumania in its policy of improving its economic relations both with the West and with the "non-aligned" countries, and in general in its initiatives for relative autonomy with the socialist community. The Tito-Gheorghiu Dej talks were followed attentively and suspiciously by the Soviet Embassy in Belgrade; some Russian officials expressed their personal bitterness with the progress of the talks.

Regarding relations with Albania, one thing is certain: according to Serbian elements who are most responsible, Yugoslavia will not touch Albania. The 600,000 Albanians who are living in Yugoslav territory in themselves constitute one of the heaviest burdens which Yugoslavia is now forced to bear. Certainly the Yugoslavs would gladly witness the fall of Enver Hoxha and his regime, which they consider to be far from "socialist".

Comments:

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- 1/ The UCY Central Committee plenum, preparatory to the Party Congress, held its final session on 16 March 1964.
- 2/ The Party Congress is now scheduled for November 1964.
- 3/ Popovic was in Prague from 18-22 December 1963; a protocol on cooperation between Yugoslav and Czechoslovak planning bureaus was signed in Belgrade on 19 December.

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